

memorandum

National Nuclear Security Administration
Los Alamos Site Office
Los Alamos, New Mexico 87544

DATE: FEB 03 2006
REPLY TO: S&H:8FB-003
ATTN OF:
SUBJECT: LASO Feedback and Improvement Assessment Report and Site Action Plan –
DNFSB Commitment 25

TO: Thomas D'Agostino, Acting Deputy Director for Defense Programs, NA-10, HQ/FORS

Attached are the LASO Feedback and Improvement (F&I) Assessment Report and corresponding Site Action Plan for improving F&I processes required by commitment 25 of the Implementation Plan for Defense Nuclear Facilities Safety Board recommendation 2004-1, *Oversight of Complex, High-Hazard Nuclear Operations*. The assessment and action plan were completed per the expectations and guidance included in your November 14, 2005 action memorandum.

The attached LASO F&I Assessment Report was conducted using the results of the recent Office of Independent Oversight (SP-40) report of both LANL and LASO published in December 2005. A crosswalk was performed from the SP-40 F&I inspection plan to the F&I CRAD for conducting the assessment and no gaps were identified.

The attached action plan includes a comprehensive review and analysis of all recently identified F&I deficiencies from the SP-40 report and other recent assessments such as the type B accident investigations in order to properly identify causal factors and develop effective corrective actions. Additionally, the timing and scope of the actions have been developed in order to minimize the potential impact to higher priority LANL contract transition activities and to ensure the actions taken are supported by the new management and operating contractor to assume leadership on June 1, 2006.

Actions scheduled through May 31, 2006 have been concurred with by UC-LANL. Actions scheduled after that date are under review with LANS as part of the contract transition process.

The LASO action plan addresses oversight of the LANL/LANS overall corrective actions and addresses the deficiencies identified during the SP-40 review. The timing and scope of specific actions were developed to ensure effective coordination with the current Site Office re-engineering and contract transition activities.

FEB 03 2006

If you have any questions concerning the action plans, please contact Fred Bell at (505) 665-4856 or myself at (505) 667-5105.



Edwin L. Wilmot
Manager

cc w/attachments:

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**Results of Assessment of the
Effectiveness of Feedback & Improvement Processes
at the Los Alamos Site Office**

January 25, 2006

Performance Objective # 1: Contractor management has established a comprehensive and integrated operational assurance system which encompasses all aspects of the processes and activities designed to identify deficiencies and opportunities for improvement, report deficiencies to the responsible managers, complete corrective actions, and share in lessons learned effectively across all aspects of operation.

Evaluation: Performance Objective partially met

Results:

This objective was evaluated by reviewing the recently conducted Independent Oversight assessment of this area (*Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005), and by reviewing contractor implementation documents.

This Performance Objective is partially met. An operational assurance system has been established, but this system does not encompass all aspects of the laboratory's processes and activities. The system is not uniformly effective in that some previously identified issues (findings) still exist, and some previously completed corrective actions are not fully effective

Criterion 1 -- A program description document that fully details the programs and processes that comprise the contractor assurance system has been developed, approved by contractor management, and forwarded to DOE for review and approval. The program description is reviewed and updated annually and forwarded to DOE for review and approval.

Criterion 1 is partially met. LIR 307-01-05.0, *Issues Management Program*, fully details the programs and processes that comprise the contractor assurance system, has been approved by contractor management, and forwarded to DOE for review and approval. This LIR was issued on June 3, 2003, and has not been revised on an annual basis. LA-CP-05-0381, *Los Alamos National Laboratory Contractor Assurance System Description Document*, was issued on April 27, 2005. This document also specifies processes that comprise the contractor assurance system, but does not contain detailed program descriptions. The *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005 assessment noted that both of these documents contain superseded information.

Criterion 2 -- The contractor's assurance system includes assessment activities (self-assessments, management assessments, and internal independent assessments as defined by laws, regulations, and DOE directives such as quality assurance program

requirements) and other structured operational awareness activities; incident/event reporting processes, including occupational injury and illness and operational accident investigations; worker feedback mechanisms; issues management; lessons-learned programs; and performance indicators/measures.

Criterion 2 is partially met. The contractor assurance system includes assessment activities (self-assessments, management assessments, and internal independent assessments as defined by laws, regulations, and DOE directives such as quality assurance program requirements) and other structured operational awareness activities; issues management; lessons-learned programs; and performance indicators/measures. The system does not include all aspects of the incident/event reporting processes, including occupational injury and illness and operational accident investigations; and worker feedback mechanisms. However, the LIR does specify that the Performance Surety Division should review other potential sources, such as the Ombuds Office, employee concerns, and management walk-arounds, at an unspecified periodicity. No mention is made in either document of feedback mechanisms from executed work. Four issues tracking mechanisms are in place laboratory-wide, with additional tracking mechanisms at specific facilities. The LIR states that the I-Track database is to be used for all issue tracking, but LA-CP-05-0381 specifies the four databases plus local tracking mechanisms. Coordinating actions from all of the multiple tracking mechanisms is not an assigned duty in either the LIR or LA-CP-05-0381. The loosely defined incident reporting system does not detail the method by which any identified issue, from whatever source, that involves a clear risk of imminent personnel injury or environmental impact receives immediate compensatory measures and high priority for implementation.

Criterion 3 -- The contractor's assurance system monitors and evaluates all work performed under their contract, including the work of subcontractors.

Criterion 3 is partially met. The contractor's assurance system monitors and evaluates all work performed under their contract by means of performance indicators, including the work of subcontractors. These performance indicators are not defined within the system. The method by which data is gathered for the performance indicators is also not identified. Performance indicators have been used by the laboratory for several years. Results recorded in the *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, indicate that monitoring by this method may not adequately indicate assurance system effectiveness, since some deficiencies that had been identified in previous assessments still existed, and some corrective actions were found to be ineffective.

Criterion 4 -- Contractor assurance system data is formally documented and available to DOE line management. Results of assurance processes are periodically analyzed, compiled, and reported to DOE line management as part of formal contract performance evaluation.

Criterion 4 is partially met. Contractor assurance system data is formally documented, but the tracking database is in transition and the new one is not yet available to DOE line management. Results of assurance processes are periodically analyzed, compiled, and reported to DOE line management as part of formal contract performance evaluation

(Appendix F reporting). However, as indicated above, reported data may not adequately indicate assurance system effectiveness.

Criterion 5 -- Contractors have established and implemented sufficient processes (e.g., self-assessments, corporate audits, third-party certifications or external reviews, performance indicators) for measuring the effectiveness of the contractor assurance program.

Criterion 5 is not met. Corrective action effectiveness measurement is required only for those issues identified as a “High Significance Level,” defined as “Severe potential risk that poses imminent hazard to worker health and safety, the public, the environment, security, regulatory compliance, facility operations, and/or program/business execution.” This level of severity should be rare, so corrective action effectiveness measurement would seldom be required. This seriously skews the measurement process. The *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, assessment found that the system is not uniformly effective in that some previously identified issues (findings) still exist, and some previously completed corrective actions are not fully effective. These results indicate that the contractor’s measurement of corrective action effectiveness is not adequate.

Criterion 6 -- Requirements and formal processes have been established and implemented that ensure personnel responsible for managing and performing assurance activities possess appropriate experience, knowledge, skills and abilities commensurate with their responsibilities.

Criterion 6 is not met. Requirements and formal processes have not been established by the assurance system implementing procedures to ensure that personnel responsible for managing and performing assurance activities possess appropriate experience, knowledge, skills and abilities commensurate with their responsibilities. The assurance system implementing procedures do not require that personnel, including management, that are involved with causal investigations possess adequate experience, knowledge, skills and abilities for those assigned duties.

Noteworthy Practices - None

Judgment of Need:

Implement actions detailed on the Action Plan for DOE Implementation Plan for DNFSB Recommendation 2004-1 - F&I Commitment 25.

Performance Objective # 2.1: Contractor line management has established a rigorous and credible assessment program that evaluates the adequacy of programs, processes, and performance on a recurring basis. Formal mechanisms and processes have been established for collecting both qualitative and quantitative information on performance and this information is effectively used as the basis for informed management decisions to improve performance.

Evaluation: Performance Objective partially met

Results:

This objective was evaluated by reviewing the recently conducted Independent Oversight assessment of this area (*Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005), and by reviewing contractor implementation documents.

This Performance Objective is partially met. A formal assessment program has been developed, but detailed processes for collecting qualitative and quantitative information on performance have not been effectively defined. Recent assessments have not provided sufficient information to evaluate the adequacy of programs.

Criterion 1 -- Line management has established and implemented a rigorous assessment program for performing comprehensive evaluations of all functional areas, programs, facilities, and organizational elements, including subcontractors, with a frequency, scope and rigor based on appropriate analysis of risks. The scope and frequency of assessments are defined in site plans and program documents, include assessments of processes and performance-based observation of activities and evaluation of cross-cutting issues and programs, and meet or exceed requirements of applicable DOE directives.

Criterion 1 is not met. LA-CP-05-0381, *Los Alamos National Laboratory Contractor Assurance System Description Document*, issued on April 27, 2005, specifies that a rigorous assessment program be established at each directorate, with a formally issued and reviewed annual assessment schedule that is based on performance and risk. However, *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, identified that two of the four directorates assessed had not prepared such assessment schedules. Scope, frequency, and rigor for scheduled assessments are not specified within program documents, although implementing procedures have been developed and approved for some directorates. As noted in *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, this condition does not meet the requirements of DOE directives.

Criterion 2 -- Rigorous self-assessments are identified, planned, and performed at all levels periodically to determine the effectiveness of policies, requirements, and standards and the implementation status.

Criterion 2 is fully met. Self-assessments have been identified, planned, and performed at all levels as documented within *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005.

Criterion 3 -- Appropriate independent internal assessments are identified, planned and performed by contractor organizations or personnel having the authority and independence from line management, to support unbiased evaluations.

Criterion 3 is fully met. Los Alamos National Laboratories have established an independent group, the Laboratory Audits and Assessments Division, to fulfill this function.

Criterion 4 -- Line managers have established programs and processes to routinely identify, gather, verify, analyze, trend, disseminate, and make use of performance measures that provide contractor and DOE management with indicators of overall performance, the effectiveness of assurance system elements, and identification of specific positive or negative trends. Approved performance measures provide information that indicates how work is being performed and are clearly linked to performance objectives and expectation established by management.

Criterion 4 is partially met. Laboratory management has established programs and processes to make use of performance indicators that are clearly linked to performance objectives and expectations established by management. However, neither LIR 307-01-05.0, *Issues Management Program*, nor LA-CP-05-0381, *Los Alamos National Laboratory Contractor Assurance System Description Document* contain instructions for methods used for collection of performance measure data, specified reporting frequencies, or methods for collection of information. LA-CP-05-0381 does state that performance measures are to be collected and analyzed by laboratory senior management, but no proceduralized details or expectations are provided. The *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, assessment identified that previously identified issues (findings) are still present, and that some corrective actions have not been fully effective. This indicates that the performance indicators presently in use do not adequately reflect how work is being performed.

Criterion 5 -- Line managers effectively utilize performance measures to demonstrate performance improvement or deterioration relative to identified goals, in allocating resources and establishing performance goals, in development of timely compensatory measures and corrective actions for adverse trends, and in sharing good practices and lessons learned.

Criterion 5 is not met. The *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, assessment identified that compensatory measures are often not established for those corrective actions not due for an extended period of time. That assessment also identified that some deficiencies identified by earlier assessments still existed, and that some corrective actions were ineffective. These results indicate that performance indicators do not provide an adequate level of information. Since the performance indicators are not adequate, they cannot be effectively utilized.

Noteworthy Practices – None.

Judgment of Need:

Implement actions detailed on the Action Plan for DOE Implementation Plan for DNFSB Recommendation 2004-1 - F&I Commitment 25.

Performance Objective #2.2: The Contractor has developed and implemented an Operating Experience program that communicates Effective Practices and Lessons Learned during work activities, process reviews, and incident/event analyses to potential users and applied to future work activities.

Evaluation: Performance Objective partially met

Results:

This objective was evaluated by reviewing the recently conducted Independent Oversight assessment of this area (*Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005), and by reviewing contractor implementation documents.

This Performance Objective is partially met. A formally defined Operating Experience program does exist. Information is collected and provided to management and workers. Corrective and preventive actions may be identified by established committees. However, there is no formal process to verify that lessons learned are understood and properly implemented.

Criterion 1 -- Formal processes are in place to identify applicable lessons learned from external and internal sources and any necessary corrective and preventive actions, disseminate lessons learned to targeted audiences, and ensure that lessons learned are understood and applied.

Criterion 1 is partially met. A document that provides a compilation of lessons learned is produced quarterly to communicate lessons learned from both laboratory and other DOE sites throughout the laboratory. This publication is widely distributed and easily available. Lessons learned are also communicated to managers and workers through a formal process. Guidance is provided to formally define how lessons learned are to be evaluated for applicability and communicated to the workforce. However, these lessons learned are not formally tied to the issues management process, nor has a formal process been defined to identify necessary corrective and preventive actions to address these lessons learned. There is also no formal process to ensure that the communicated lessons learned are understood and applied properly by the target audience. Procedure changes to incorporate lessons learned from the accident investigation for the laser incident were not accomplished at the time of the *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, months after completion of the investigation. This is not timely execution of corrective actions. Evaluation of lessons learned at other laboratory facilities or other DOE sites for applicability to LANL is assigned to a laboratory headquarters division, who cannot be

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expected to be familiar with the facilities for which the evaluation is being made. Assigned individuals therefore may not have sufficient knowledge to determine applicability.

Criterion 2 -- Line managers effectively identify, apply, and exchange lessons learned with the rest of the DOE complex. Lessons learned identified by other DOE organizations and external sources are reviewed and applied by line management to prevent similar incidents/events.

Criterion 2 is partially met. Lessons learned are communicated to managers and workers. A nested system of safety and security committees may determine that actions must be taken to address those concerns. However, no formal process exists laboratory-wide to ensure that line managers effectively apply those lessons. *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, states that the laboratory's issuance of lessons learned for transmittal to other DOE sites has also not been satisfactory.

Criterion 3 -- Formal programs and processes have been established and implemented to solicit feedback or suggestions from workers on the effectiveness of work definition, hazard analyses and controls, and implementation for all types of work activities, and to apply lessons learned.

Criterion 3 is not met. The program specified in laboratory documents does not address the method by which input into the issues management program is to be provided for other than formal and informal assessments and formal accident investigations. This does not provide input to the system from low-level events. No method is specified for providing input in a timely manner from the work control process.

Criterion 4 -- Employee concerns related to management of DOE and NNSA programs and facilities are promptly and thoroughly reported and investigated in accordance with applicable DOE directives.

Criterion 4 is partially met. Several methods are available for laboratory employees to communicate concerns with DOE/NNSA programs, but all are external to the work control and assurance processes. These reporting systems are not formally tied to the issues management system. No method is specified to integrate issues raised using these methods into a single issues list.

Noteworthy Practices - None

Judgment of Need:

Implement actions detailed on the Action Plan for DOE Implementation Plan for DNFSB Recommendation 2004-1 - F&I Commitment 25.

Performance Objective #2.3: Contractor line management has established and implemented programs and processes to identify, investigate, report, and respond to operational events and incidents and occupational injuries and illnesses.

Evaluation: Performance Objective not met.

Results:

This objective was evaluated by reviewing the recently conducted Independent Oversight assessment of this area (*Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005), and by reviewing contractor implementation documents.

This Performance Objective is not met. Events and accidents are not reported within the same issues management tracking database as injuries, and no method for integration of issues is formally specified. Analysis of issues is conducted only for those issues identified as "High," with no analysis specified for lower-level issues. Contractor line management has not established issues management processes to investigate occupational injuries and illnesses at levels below those reported using ORPS.

Criterion 1 -- Formal programs and processes have been established to identify issues and report, analyze, and address operational events, accidents, and injuries. Events, accidents, and injuries are promptly and thoroughly reported and investigated, including the identification and resolution of root causes and management and programmatic weaknesses, and distribution of lessons learned.

Criterion 1 is not met. The issues management system is presently specified in two procedures, LIR 307-01-05.0, *Issues Management Program*, nor LA-CP-05-0381, *Los Alamos National Laboratory Contractor Assurance System Description Document*. Both procedures specify an issues management system, and are not consistent. The LIR directs that all issues within the issues management system are to be entered into the I-Track system, while LA-CP-05-0381 specifies that more than four issue tracking mechanisms exist. Responsibilities and methods for combining issues from the various systems into one integrated listing are not specified by either procedure. The *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, assessment found that conditions identified in assessments completed as much as six years ago still exist, and that some corrective actions were ineffective. Lessons learned from the accident investigation for the laser incident were not incorporated into procedures months after completion of the investigation. These results demonstrate that resolution of deficiencies is neither timely nor effective in all cases. No method is specified for providing input from the first aid database to an integrated tracking mechanism for trending, and no frequency for reviewing this database for issues is specified. With more than four laboratory-wide issue tracking mechanisms, lack of a formally defined program to combine the results of these mechanisms into one central issues management tool significantly degrades management of corrective actions. Senior laboratory management must be made aware of issues before proper prioritization can occur. Since a large number of corrective actions have previously been identified

through formal and informal assessments and accident investigations, a large body of incomplete actions exists, which further complicates issues management. Formal causal analysis is only required for issues rated as “High Significance Level.” Causal analysis is not required for lower-level issues.

Criterion 2 -- Reporting of operational events, accidents, and injuries are conducted in accordance with applicable nuclear, security, environment, occupational safety and health, and quality assurance requirements, applicable DOE directives, and contract terms and conditions. Trending analysis of events, accidents, and injuries are performed in accordance with structured/formal processes and applicable DOE directives.

Criterion 2 is not met. The *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, assessment found that those events, accidents, and injuries that rise to the level at which reporting is required, such as ORPS, CAIRS, NTS, and other system, are reported. However, detailed guidance is not provided specifying what how data from these various systems is obtained, how this data is to be trended, and how the results of trending is to be reported.

Noteworthy Practices – None

Judgment of Need:

Implement actions detailed on the Action Plan for DOE Implementation Plan for DNFSB Recommendation 2004-1 - F&I Commitment 25.

Performance Objective #2.4: The Contractor has developed and implemented a formal process to evaluate the quality and usefulness of feedback, and track to resolution performance and safety issues and associated corrective actions.

Evaluation: Performance Objective not met

Results:

This objective was evaluated by reviewing the recently conducted Independent Oversight assessment of this area (*Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005), and by reviewing contractor implementation documents.

This Performance Objective is not met. The laboratory’s formal Issues Management process does not provide sufficient information to evaluate the quality and usefulness of feedback. No formal process exists to validate corrective action effectiveness. The formal process also does not require that extent of condition be established for identified issues. The laboratory-wide issues management process does not define mechanisms to promptly

identify the impact of a deficiency and take timely actions to address conditions of immediate concern. The laboratory's formal issues management process does not define the method or periodicity for communicating issues up the management chain to senior management. Data indicates that lower-level trends, generic issues, and vulnerabilities are not being adequately identified.

The major area of concern for this Performance Objective is that no formal method has been established to ensure that identified issues that involve clear risk of imminent personnel injury or environmental impact receives immediate compensatory measures and high priority for correction.

Criterion 1 -- Program and performance deficiencies, regardless of their source, are captured in a system or systems that provides for effective analysis, resolution, and tracking. Issues management system elements include structured processes for determination of risk, significance, and priority of deficiencies; evaluation of scope and extent of condition; determination of reportability under applicable requirements; identification of root causes; identification and documentation of corrective actions and recurrence controls to prevent recurrence; identification of individuals/organizations responsible for corrective action implementation; establishment of milestones based on significance and risk for completion of corrective actions; tracking progress; verification of corrective action completion; and validation of corrective action implementation and effectiveness.

Criterion 1 is not met. Four separate issues tracking mechanisms exist laboratory-wide, with additional tracking mechanisms at lower levels allowed. The first aid reporting mechanism is separate from other tracking. Prioritization is defined within formal processes for only some of these mechanisms. Causal analysis and verification are required only for those issues classified as "High." No formal process exists to validate corrective action effectiveness. The formal process also does not require that extent of condition be established for identified issues.

Criterion 2 -- Issues management processes include mechanisms to promptly identify the potential impact of a deficiency and take timely actions to address conditions of immediate concern, including stopping work, system shutdown, emergency response, reporting to management, and compensatory measures pending formal documentation and resolution of the issue.

Criterion 2 is not met. The laboratory-wide issues management process does not define mechanisms to promptly identify the impact of a deficiency and take timely actions to address conditions of immediate concern. Procedures exist at some divisions within the laboratory, but not all. The laboratory-wide issues management program document is silent regarding this evaluation.

Criterion 3 -- Processes for analyzing deficiencies, individually and collectively, have been established that enable the identification of programmatic or systemic issues. Line management effectively monitors progress and optimizes the allocation of assessment resources in addressing known systemic issues.

Criterion 3 is not met. No method is specified for providing input from the first aid database to an integrated tracking mechanism for trending, and no frequency for reviewing this database for issues is specified. With more than four laboratory-wide issue tracking mechanisms, lack of a formally defined program to combine the results of these mechanisms into one central issues management tool significantly degrades trending of issues. LA-CP-05-0381, *Los Alamos National Laboratory Contractor Assurance System Description Document* specifies that laboratory management optimize the allocation of assessment resources to address known systemic issues, but provides no details on the mechanism to be used. It assigns the trending duties to the independent assessment group, but does not specify what data is to be collected, how the data is to be obtained, what trending “bins” are to be used, how the results are reported, or periodicity of trending.

Criterion 4 -- Processes for communicating issues up the management chain to senior management have been established and based on a graded approach that considers hazards and risks. Line management receives periodic information on the status of individuals accountable for timely and effective completion of actions. Line management has executed graded mechanisms such as independent verification and performance-based evaluation to ensure that corrective action and recurrence controls are timely, complete, and effective. Closure of corrective actions and deficiencies are based on objective, technically sound, and verified evidence. The effectiveness of corrective actions is determined on a graded basis and additional actions are completed as necessary.

Criterion 4 is not met. The laboratory’s formal issues management process does not define the method or periodicity for communicating issues up the management chain to senior management. The *Independent Oversight Inspection Of Environment, Safety, And Health Programs At The Los Alamos National Laboratory*, November, 2005, assessment found that deficiencies identified during previous assessment were still present after completion of corrective actions intended to address them. This indicates that either corrective action closure was premature or that the corrective actions identified were inadequate.

Criterion 5 -- Results of various feedback systems are integrated and collectively analyzed to identify repeat occurrences, generic issues, trends, and vulnerabilities at a lower level before significant problems result.

Criterion 5 is not met. Issues trending is defined within the laboratory’s process, but that trending does not integrate all reporting mechanisms. Data indicates that lower-level trends, generic issues, and vulnerabilities are not being adequately identified.

Criterion 6 -- Individuals or teams responsible for corrective action development are trained in analysis techniques to evaluate significant problems using a structured methodology to identify root and contributing causes and corrective actions to prevent recurrence.

Criterion 6 is not met. The experience and qualifications for personnel conducting assurance system duties are not identified within program procedures.

Noteworthy Practices - None

Judgment of Need:

Implement actions detailed on the Action Plan for DOE Implementation Plan for DNFSB Recommendation 2004-1 - F&I Commitment 25.

Performance Objective #3:

DOE line management has established and implemented effective oversight processes that evaluate the adequacy and effectiveness of contractor assurance systems and DOE oversight processes.

Evaluation: Performance Objective not met

Results:

This objective was evaluated by reviewing the recently conducted Independent Oversight assessment of this area (*Independent Oversight Inspection Of Los Alamos Site Office Environment, Safety, And Health Programs At Los Alamos National Laboratory*, November, 2005), and by reviewing contractor implementation documents.

This Performance Objective is not met. The Los Alamos Site Office (LASO) oversight process does not have an effective formal process for contractor assurance oversight.

Criterion 1 -- DOE line management has established a baseline line management oversight program that ensures that DOE line management maintains sufficient knowledge of site and contractor activities to make informed decisions concerning hazards, risks and resource allocation, provide direction to contractors, and evaluate contractor performance.

Criterion 1 is not met. The *Independent Oversight Inspection Of Los Alamos Site Office Environment, Safety, And Health Programs At Los Alamos National Laboratory*, November, 2005, assessment found that a baseline line management oversight program does not presently exist for all areas.

Criterion 2 -- DOE line oversight program includes assessments, operational awareness activities, performance monitoring and improvement, and assessment of contractor assurance systems. Documented program plans have been established that define oversight program activities and annual schedules of planned assessments and focus areas for operational awareness. Operational awareness activities must be documented either individually or in periodic (e.g., weekly or monthly) summaries. Deficiencies in programs or performance identified during operational awareness activities are communicated to the contractor for resolution through a structured issues management process.

Criterion 2 is not met. The *Independent Oversight Inspection Of Los Alamos Site Office Environment, Safety, And Health Programs At Los Alamos National Laboratory*, November, 2005, assessment found that, although a formal annual assessment schedule has been prepared, oversight program activities have not been adequately defined by procedures, activities are not always documented, and no defined process exists to ensure that deficiencies identified during activities are communicated to the contractor.

Criterion 3 -- DOE field element line management monitors contractor performance and assesses whether performance expectations are met; that contractors are assessing site activities adequately; self-identifying deficiencies; and, taking timely and effective corrective actions. Responsibilities for line oversight and self-assessment are assigned and managers, supervisors, and workers are held accountable for performance assurance activities. Deficiencies must be brought to the attention of contractor management and addressed in a timely manner.

Criterion 3 is not met. Responsibilities for line oversight and self-assessment are not assigned for all areas. Contractor performance is monitored and assessed against established performance expectations. However, assessment results indicate that evaluation of contractor completion of timely and effective corrective actions may be inadequate. Instances were found in which corrective actions did not correct previously identified deficiencies, and in which corrective actions were not accomplished in a timely manner. No formal process exists to ensure that deficiencies are brought to the attention of the contractor.

Criterion 4 -- DOE line management requires that findings must be tracked and resolved through structured and formal processes, including provisions for review of corrective action plans.

Criterion 4 is not met. No formal process has been defined for tracking and resolving findings. No integrated tracking mechanism exists at the Site Office to allow such tracking, although some individuals are using their own informal tracking mechanisms.

Criterion 5 -- DOE field element line management regularly assesses the effectiveness of contractor issues management and corrective action processes, lessons learned processes, and other feedback mechanisms (e.g., worker feedback). DOE line management must also evaluate contractor processes for communicating information, including dissenting opinions, up the management chain.

Criterion 5 is not met. The *Independent Oversight Inspection Of Los Alamos Site Office Environment, Safety, And Health Programs At Los Alamos National Laboratory*, November, 2005, assessment found that Site Office activity in this area has been focused almost exclusively on programmatic review. DOE self-assessments have identified weaknesses in this area that have not been addressed.

Criterion 6 -- DOE field element line management must verify that corrective actions are complete and performed in accordance with requirements before findings identified by DOE assessments or reviews are closed, and require that

deficiencies are analyzed both individually and collectively to identify causes and prevent recurrences.

Criterion 6 is not met. The *Independent Oversight Inspection Of Los Alamos Site Office Environment, Safety, And Health Programs At Los Alamos National Laboratory*, November, 2005, assessment found that Site Office verification of contractor corrective action closure was ineffective. Deficiencies noted in previous assessments have not been effectively addressed.

Criterion 7 -- DOE field element line management has established appropriate criteria for determining the effectiveness of site programs, management systems, and contractor assurance systems, and includes consideration of previous assessment results, effectiveness of corrective actions and self-assessments, and evidence of sustained management support for site programs and management and assurance systems. Review criteria are based on requirements and performance objectives (e.g., laws, regulations, DOE directives), site-specific procedures/manuals, and other contractually mandated requirements and performance objectives.

Criterion 7 is not met. The *Independent Oversight Inspection Of Los Alamos Site Office Environment, Safety, And Health Programs At Los Alamos National Laboratory*, November, 2005, assessment found that no formally defined Site Office self-assessment process exists, results from previously executed self-assessments have not been addressed, and contractor assurance programs are not adequately implemented. This demonstrates that criteria for evaluating the effectiveness of these areas are either non-existent or inadequate.

Criterion 8 -- DOE field element line management has established and maintained appropriate qualification standards for personnel with oversight responsibilities, and a clear, unambiguous line of authority and responsibility for oversight.

Criterion 8 is partially met. Although qualification standards for personnel with oversight responsibilities exist and are strictly enforced, there is no FRAM for the Site Office that reflects duties and responsibilities as presently assigned. The line of authority and responsibility for oversight is not defined for some areas.

Criterion 9 -- DOE line management periodically reviews established performance measures to ensure performance objectives and criteria are challenging and focused on improving performance in known areas of weakness.

Criterion 9 is partially met. DOE line management at the Site Office does periodically review established performance measures for the contractor to ensure that performance objectives are challenging and focused on known areas of weakness, but the *Independent Oversight Inspection Of Los Alamos Site Office Environment, Safety, And Health Programs At Los Alamos National Laboratory*, November, 2005, assessment found that this review has not driven contractor improvement. Since Site Office activities are not formally defined for all areas, performance measures for the Site Office are also either inadequate or non-existent.

Criterion 10 -- Oversight must include structured and rigorous processes for validating the accuracy of information collected during assessments. DOE field element line management requires that findings must be tracked and resolved through structured and formal processes, including provisions for review of corrective action plans.

Criterion 10 is not met. No processes to accomplish these communications have been formally established by procedure.

Criterion 11 -- An effective employee concerns program been established and implemented in accordance with DOE Directives, that encourages the reporting of employee concerns and provides thorough investigations and effective corrective actions and recurrence controls.

Criterion 11 is not met. A formal employee concerns program does not exist for the Site Office.

Noteworthy Practices - None

Judgment of Need:

Implement actions detailed on the Action Plan for DOE Implementation Plan for DNFSB Recommendation 2004-1 - F&I Commitment 25.

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DNSFB Recommendation 2004-1 Implementation Plan

Site Action Plan

Commitment 25, Feedback and Improvement

A handwritten signature in black ink, consisting of several overlapping, slanted strokes, positioned above a horizontal line.

Approved, Manager, Los Alamos Site Office

Note: Change Control for this Site Action Plan (SAP) resides with the Site Office Manager, with a cc to NA-10.

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Objective 1 and 2

Judgment of Need 1

UC needs to perform a causal analysis on Feedback and Improvement Program deficiencies and implement interim compensatory measures for significant vulnerabilities while completing necessary actions to address findings of the causal analysis.

Action Number	Actions	Deliverable(s)	Due Date	Owner / Organization
1.1	Evaluate existing external and internal assessments, DOE accident investigations, Contractor accident investigations, and other existing reviews for identified feedback and improvement deficiencies. Recent reports are considered to be reports issued within the past two years and may include, but are not limited to, DOE Type B Accident Investigations (Acid Vapor Inhalation, Pu-238 Uptake, Americium Contamination), Office of Independent Oversight (SP) Inspection Report, ORR MSAs, SST ORR Report.	Consolidated listing of individual F&I deficiencies linked to the identifying assessment reports, and collective issues identified as a result of linking related deficiencies together.	April 5, 2006	B. Stine, LANL Associate Director for Technical Services

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1.2	Complete a causal analysis of collective issues and high significance individual deficiencies.	Causal analysis report with identified contributing and root causes linked to collective issues and high significance individual deficiencies.	April 5, 2006	B. Stine, LANL Associate Director for Technical Services
1.3	Identify vulnerabilities representing significant risk of imminent personnel injury, environmental impact, security weakness, and/or ability to implement programs and projects.	LANL report submitted to LASO identifying specific vulnerabilities identified. (Submitted as a single deliverable with action 1.4 deliverable below)	April 5, 2006	B. Stine, LANL Associate Director for Technical Services
1.4	Implement compensatory measures to address vulnerabilities identified by action 1.3 above.	LANL report submitted to LASO verifying implementation of compensatory measures. (Submitted as a single deliverable with action 1.3 deliverable above)	April 5, 2006	B. Stine, LANL Associate Director for Technical Services

Responsible Manager: UC-LANL Director

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Judgment of Need 2

UC needs to develop Feedback and Improvement Program Transition Plan identifying status of the program and recommendations for resolution of deficiencies and the causes of the deficiencies.

Action Number	Actions	Deliverable(s)	Due Date	Owner / Organization
2.1	<p>UC-LANL prepare a feedback and improvement program transition plan for LANS that includes:</p> <ul style="list-style-type: none"> • The F&I Program Description.* • A list of recent assessments completed (and evaluated above). • The analysis of the assessment results including individual findings and root causes. • Compensatory measures implemented. • The recommended path forward with proposed corrective actions linked to deficiencies and root causes. 	<p>Forwarding memorandum and transition plan.</p> <p>*Note that the F&I Program Description may be a matrix of elements of other existing programs such as CAS, ISM, ORPS, Issues Management, etc. that comprise F&I objectives and criteria implementation.</p>	May 31, 2006	B. Stine, LANL Associate Director for Technical Services

Responsible Manager: UC-LANL Director

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Judgment of Need 3

LANS needs to develop a Feedback and Improvement Program Description Document and Corrective Action Plan.

Action Number	Actions	Deliverable(s)	Due Date	Owner / Organization
3.1	<p>LANS prepare, approve, and transmit to LASO a feedback and improvement program description document that identifies how the objectives and criteria from F&I CRAD* are met.</p> <p>*F&I CRAD includes those objectives and criteria evaluated and documented in the Los Alamos Site Office Assessment Report, DOE Implementation Plan for DNFSB Recommendation 2004-1 - F&I Commitment 25. They can also be found in the forthcoming DOE Oversight Manual and at http://www.2004-1.org</p>	Forwarding memorandum and F&I Program Description Document.	June 21, 2006	TBD
3.2	LANS develop, approve, and transmit to LASO a feedback & improvement corrective action plan to address the information from the transition plan.	Forwarding memorandum and the F&I Corrective Action Plan including identification of the schedule for completion and responsible individual for each action.	June 21, 2006	TBD
3.3	LANS develop, approve, and transmit to LASO a list of F&I performance indicators for inclusion in the FY07 contract evaluation process.	Forwarding memorandum and F&I recommended performance indicators.	June 21, 2006	TBD

Responsible Manager: LANS Director

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Objective 3

Judgment of Need 4

NNSA LASO needs to formally implement programs that incorporate elements of feedback and improvement for use managing the site office and providing oversight of the LANL contractors.

Action Number	Actions	Deliverable(s)	Due Date	Owner / Organization
4.1	LASO evaluate recent external and self-assessment reports for deficiencies in Feedback and Improvement. Recent reports include, but are not limited to, DOE Type B Accident Investigations (Acid Vapor Inhalation, Pu-238 Uptake, Americium Contamination), Office of Independent Oversight (SP) Inspection Report, ORR MSAs, SST ORR Report.	Consolidated listing of LASO F&I deficiencies linked to the identifying assessment reports and root causes for related deficiencies.	April 12, 2006	Gerald Schlapper, Safety and Health Manager
4.2	LASO revise and/or develop and implement processes and procedures that implement a Feedback and Improvement Program.	Issued LASO Policies and Procedures that incorporates the elements of a feedback and improvement program.	March 29, 2006	Herman LeDoux, SPT Readiness Team Manager
4.3	LASO assess the implemented processes and procedures utilizing the F&I CRAD criteria to verify incorporation into action 3.1.2 deliverables and resolution of 3.1.1 identified deficiencies.	A report transmitted to the Site Office Manager documenting the assessment of Action 3.1.2 deliverables, resolution of Action 3.1.1 deficiencies, and a crosswalk identifying where the CRAD criteria are incorporated and	June 28, 2006	Gerald Schlapper, Safety and Health Manager

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		deficiencies resolved and including follow-on actions as necessary.		
4.4	LASO verifies the implementation of LANL compensatory measures implemented in accordance with action 1.4 above	LASO documentation of a review/s verifying implementation of compensatory measures.	May 3, 2006	Gerald Schlapper, Safety and Health Manager
4.5	LASO reviews and concurs with LANS corrective action plan completed in accordance with action 3.2 above.	Concurrence letter from LASO to LANS.	July 30, 2006	Gerald Schlapper, Safety and Health Manager

Responsible Manager: LASO Manager